CONSUMER DEFENSE GROUP ACTION

GRAHAM & MARTIN, LLP

3 Park Plaza, Suite 2030 Irvine, CA 92614 Telephone: (949) 474 - 1022 Facsimile: (949) 474 - 1217

60 Day Notice of Intent to Sue Lowe's Companies, Inc. Under Health & Safety Code Section 25249.6

Consumer Defense Group Action, a California corporation (hereinafter "CDG" or the "Noticing Party") hereby gives Notice of Intent to Sue Under Health & Safety Code Section 25249.5 (the "Notice") to Robert A. Niblock, the President of Lowe's Companies, Inc. (hereinafter referred to as "Lowe's"), as well as the governmental entities on the attached proof of service. The Noticing Party must be contacted through the following entity: Law Offices of Graham & Martin, LLP, 3 Park Plaza, Suite 2030, Irvine, California 92614.

This Notice is intended to inform LOWE'S that it has violated Proposition 65, the Safe Drinking Water and Toxic Enforcement Act (commencing with Health & Safety Code Section 25249.5) (hereinafter "Proposition 65") by failing and refusing to post clear and reasonable warnings at each of the facilities listed on Exhibit A hereto (which are owned/managed by Lowe's) (hereinafter "the Facilities") that Lowe's, in the ordinary course of business, stores, sells and cuts to order at each of the Facilities highly hazardous lumber infused with the arsenic—containing pesticide CCA.

Proposition 65 provides that when a party, such as Lowe's, has been and is knowingly and intentionally exposing its customers, visitors, employees and the general public to a chemical designated by the State of California to cause cancer and developmental toxicity ("the Designated Chemical") it has violated the statute unless, prior to such exposure, it provides clear and reasonable warning of that potential exposure to the potentially exposed persons (Health & Safety Code Section 24249.6). Arsenic (inorganic arsenic compounds) is a chemical known to the state of California to cause cancer. Arsenic (inorganic oxides) is a chemical known to the State of California to cause developmental reproductive toxicity. Hereinafter, arsenic (inorganic arsenic compounds) and arsenic (inorganic oxides) are referred to as the Designated Chemicals.

During the period from July 12, 2003 through October 3, 2003, persons representing CDG have investigated the activities permitted by LOWE'S at the Facilities (hereinafter referred to as the "Investigation Period"). During that investigations CDG discovered that the Facilities are owned and/or managed by LOWE'S, and that LOWE'S has more than nine employees. Those investigations also showed that LOWE'S has chosen to allow its customers, visitors and employees at each of the Facilities to be exposed to the Designated Chemicals by offering for sale lumber treated with CCA. The standard formulation for CCA used in wood is 22% arsenic. At the Facilities LOWE'S has also chosen to expose its customers (including children) and employees to the Designated Chemicals by cutting the wood to various lengths on site. The areas where the exposures take place at the Facilities are those areas where the CCA-treated wood is stored in inventory, where the lumber stacked for sale on the shop floor and in the areas where the wood is cut. Of course, there are also exposures when the CCA-treated wood is taken home by the customer and used.

In the Facilities and areas noted LOWE'S has chosen to allow its customers, visitors and employees to be exposed to the Designated Chemicals but has specifically chosen to ignore the

requirements of Proposition 65 and has failed to post clear and reasonable warnings at any of the entrances to the Facilities, in the parking areas, in the areas leading into the Facilities from the parking areas, at the entrances to the areas where the wood is stored in inventory, where it is stacked for sale on the shop floor, or in the areas where the wood is cut, so that its customers, visitors and employees, who may not wish to be exposed, can be warned that, upon entering any of those areas, they may be exposed to the Designated Chemicals.

It is clear therefore that for the entire period of time that LOWE'S has owned and/or controlled the Facilities prior to the Investigation Period, LOWE'S has failed to post clear and reasonable warning signs at the Facilities in compliance with Proposition 65. Given that the maximum period of potential liability pursuant to Proposition 65 and Business & Professions Code §17200 (which are the operative statutes pursuant to which a complaint will be filed against LOWE'S) is four years, this Notice is intended to inform LOWE'S that it has been in violation of Proposition 65 from the time period from four years prior to the last date of the Investigation Period noted above, for every day upon which LOWE'S owned and/or controlled any Facility listed on Exhibit A.

The written reports prepared by the investigators for CDG, prepared contemporaneously with the investigations conducted during the Initial Investigation Period, together with supporting date, studies and reports, and other evidence from the Facilities, has been provided to the Office of the Attorney General responsible for Proposition 65 enforcement.

Environmental Exposures:

While in the course of doing business at the Facilities, during the Investigation Period, and for up to four years prior to that time, LOWE'S has been and is knowingly and intentionally exposing its customers and the public to the Designated Chemicals without first giving clear and reasonable warning of that fact to the exposed persons (Health & Safety Code Section 24249.6). The sources of exposure are (1) CCA-treated wood offered for sale by LOWE'S at the Facilities, and (2) CCA-treated wood cut to order onsite by LOWE'S employees at the Facilities. The areas at the Facilities where customers, visitors and employees are being exposed to the Designated Chemicals are where the CCA-treated wood is stored in inventory, stacked for sale on the shop floor and in the areas where the wood is cut.

Occupational Exposures:

While in the course of doing business at the Facilities, during the Investigation Period, and for up to four years prior to that time, LOWE'S has been and is knowingly and intentionally exposing its employees to the Designated Chemicals without first giving clear and reasonable warning of that fact to the exposed persons (Health & Safety Code Section 24249.6). The sources of exposure are (1) CCA-treated wood offered for sale by LOWE'S at the Facilities, and (2) CCA-treated wood cut to order onsite by LOWE'S employees at the Facilities. The areas at the Facilities where LOWE'S employees are being exposed to the Designated Chemicals are where the CCA-treated wood is stored in inventory, where it is stacked for sale on the shop floor and in the areas where the wood is cut. The employees exposed to the Designated Chemicals include those working in the areas in the Facilities where CCA-treated wood is stored in inventory and stacked for sale, the employees working in and around the area where the wood is cut by LOWE'S employees, the employees who do the cutting of the lumber and those handling the wood both prior to sale and who assist customers with the wood at the point of sale and thereafter deliver the wood to the customer's residence or car.

Consumer Product Exposures:

While in the course of doing business at the Facilities, during the Investigation Period, and for up to four years prior to that time, LOWE'S has been and is knowingly and intentionally exposing its customers and the public to the Designated Chemicals contained in the CCA treated wood it offers for sale at each of the Facilities without first giving clear and reasonable warning of that fact to the exposed persons (Health & Safety Code Section 24249.6). The sources of exposure are (1) CCA-treated wood offered for sale by LOWE'S at the Facilities, and (2) CCA-treated wood cut to order onsite by LOWE'S employees at the Facilities. The areas at the Facilities where customers, visitors and employees are being exposed to the Designated Chemicals are where the CCA-treated wood is stored in inventory, stacked for sale on the shop floor and in the areas where the wood is cut. Customers are also exposed to the Designated Chemicals when they use the wood after purchase.

The route of exposure for Occupational Exposures, Environmental Exposures and Consumer product Exposures to the Designated Chemicals has been via inhalation, ingestion and dermal contact with the wood and with wood dust from the lumber. In other words, via breathing and contact with the skin of customers, visitors and employees with CCA treated wood and wood dust, and by ingestion through the mouth after touching of the CCA treated wood and wood dust.

Proposition 65 requires that notice and intent to sue be given to LOWE'S sixty days before a suit is filed. With this letter, CDG gives notice of the alleged violations to LOWE'S and the appropriate governmental authorities. This notice covers all violations of Proposition 65 that are currently known to CDG from information now available to them. CDG reserves the right to amend this Notice to inform LOWE'S of other violations and/or exposures as it gathers further information. With the copy of this amended notice submitted to LOWE'S, a copy is provided of "The Safe Drinking Water and Toxic Enforcement Act of 1986 (Proposition 65): A Summary"

Dated: October 24, 2003

EXHIBIT A

- 1. 1500 N. LEMON STREET, ANAHEIM, CA 92801
- 2. 1951 SOMMERSVILLE ROAD, ANTIOCH, CA 94509
- 3. 7825 ROSEDALE HIGHWAY, BAKERSFIELD, CA 93308
- 4. 2000 EMPIRE AVENUE, BURBANK, CA 91504
- 5. 2350 FOREST AVENUE, CHICO, CA 95928
- 6. 13251 PEYTON DRIVE, CHINO HILLS, CA 91709
- 7. 2225 OTAY LAKES ROAD CHULA VISTA, CA 91915
- 8. 7840 GREENBACK LANE CITRUS HEIGHTS, CA 95610
- 9. 875 SHAW AVENUE CLOVIS, CA 93612
- 10. 1285 MAGNOLIA AVENUE CORONA, CA 92879
- 11. 8369 POWER INN ROAD ELK GROVE, CA 95624
- 12. 800 EAST BIDWELL STREET FOLSOM, CA 95630
- 13. 7651 NORTH BLACKSTONE AVENUE FRESNO, CA 93720
- 14. 7151 CAMINO ARROYO GILROY, CA 95020
- 15. 2800 120TH STREET HAWTHORNE, CA 90250
- 16. 13300 JAMBOREE ROAD IRVINE, CA 92602
- 17. 1380 SOUTH BEACH BOULEVARD LA HABRA, CA 90631
- 18. 78-865 HIGHWAY 111 LA QUINTA, CA 92253
- 19. 4255 FIRST STREET LIVERMORE, CA 94550
- 20. 7300 EAST CARSON STREET LONG BEACH, CA 90808
- 21. 2840 BELLFLOWER BLVD. LONG BEACH, CA 90815
- 22. 1750 WEST OLIVE AVENUE MERCED, CA 95348
- 23. 3801 PELANDALE AVENUE MODESTO, CA 95356
- 24. 12400 DAY STREET MORENO VALLEY, CA 92553
- 25. 24701 MADISON AVENUE MURRIETA, CA 92562
- 26. 14873 CARMENITA ROAD NORWALK, CA 90650
- 27. 155 OLD GROVE ROAD OCEANSIDE, CA 92056
- 28. 5201 EAST RAMON ROAD PALM SPRINGS, CA 92264
- 29. 39500 LOWES DRIVE PALMDALE, CA 93550
- 30. 8600 WASHINGTON BOULEVARD PICO RIVERA, CA 90660
- 31. 11399 FOOTHILL BLVD. RANCHO CUCAMONGA, CA 91730
- 32. 30481 AVENIDA DE LAS FLORES RANCHO SANTA MARGARITA, CA 92688
- 33. 1725 WEST REDLANDS BLVD. REDLANDS, CA 92373
- 34. 9851 MAGNOLIA AVENUE RIVERSIDE, CA 92503
- 35. 10201 FAIRWAY DRIVE ROSEVILLE, CA 95678
- 36. 1340 EL CAMINO REAL SAN BRUNO, CA 94066
- 37. 907 AVENIDA PICO SAN CLEMENTE, CA 92673
- 38. 2318 NORTHSIDE DRIVE SAN DIEGO, CA 92108
- 39. 633 WEST BONITA AVENUE SAN DIMAS, CA 91773
- 40. 26415 BOUQUET CANYON ROAD SANTA CLARITA, CA 91350
- 41. 3645 EAST HAMMER LANE STOCKTON, CA 95212
- 42. 40390 WINCHESTER ROAD TEMECULA, CA 92591
- 43. 22255 WESTERN AVENUE TORRANCE, CA 90501

- 44. 32040 UNION LANDING BLVD. UNION CITY, CA 94587
- 45. 1659 W. FOOTHILL BLVD UPLAND, CA 91786
- 46. 151 VISTA VILLAGE DRIVE VISTA, CA 92083
- 47. 4144 SOUTH MOONEY BOULEVARD VISALIA, CA 93277
- 48. 8383 TOPANGA CANYON BLVD. WEST HILLS, CA 91304
- 49. 13225 BEACH BLVD. WESTMINSTER, CA 92683

CERTIFICATE OF MERIT

I, Anthony G. Graham, declare as follows:

- 1. I am a member of the State Bar of California, a partner of the law firm of Graham & Martin LLP, and one of the attorneys principally responsible for representing The Consumer Defense Group Action, the "Noticing Party" as to the "60 Day Notice of Intent to Sue" (hereinafter, "the Notice") served concurrently herewith. I have personal knowledge of the facts set forth herein and, if called upon, could and would testify competently thereto.
- 2. I have consulted with appropriate and qualified scientific experts and, having reviewed relevant scientific data and results of relevant test reports, as well as having reviewed the facts as set forth below and the documentary evidence of those facts regarding the exposures to the chemicals as set forth in the Notice, I have a good faith basis for believing that the exposures set forth in the Notice are likely to be above the minimum significant risk level for the chemicals at issue. I have provided the information, documents, data, reports and/or opinions I have relied upon to the Attorney General's office as required by the regulations promulgated under Proposition 65.
- 3. Based on the information obtained through those consultations, and on all other information in my possession, I believe there is a reasonable and meritorious case for the private action. I understand that "reasonable and meritorious case for the private action" means that the information provides a credible basis that all elements of the plaintiffs' case can be established and the information did not prove that the alleged violator will be able to establish any of the affirmative defenses set forth in the statute.
 - 4. The information referred to in paragraph 3 is as follows; by physical investigation

of the location referenced in the Notice and by investigation of relevant information, documents, data, and reports Consumer Defense Group Action discovered that:

- (1) the Violator is responsible for, and thus "operates", the specific subject property or properties for purposes of Health and Safety Code section 25249.5 and 25249.6;
- (2) the Violator has more than nine employees;
- (3) the Violator permits and has permitted the "release" of the chemicals set forth in the Notice and such "releases" threaten to pass in sources of drinking water;
- (4) exposures to the chemicals set forth in the Notice have occurred and continue to occur both to offsite and onsite persons;
- (5) the Violator has not put in place a clear and reasonable warning as required under Health & Safety Code section 25249.6, or any other sign purporting to comply with the requirements of that section.

I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct. Executed at Irvine, California on September 23, 2003.

CERTIFICATE OF SERVICE

I am over the age of 18 and not a party to this case. I am a resident of or employed in the county where the mailing occurred. My business address is 3 Park Plaza, Suite 2030, Irvine, California 92614.

I SERVED THE FOLLOWING:

- 1.) 60-Day Notice of Intent to Sue Under Health & Safety Code Section 24249.6;
- 2.) The Safe Drinking Water and Toxic Enforcement Act of 1986 (Proposition 65): A Summary (only sent to violators); and
- 3.) Certificate of Merit;
- 4.) Supporting documents (only sent to Office of Attorney General)

by enclosing a true copy of the same in a sealed envelope addressed to each person whose name and address is shown below and depositing the envelope in the United States mail with the postage fully prepaid:

Date of Mailing: October 28, 2003 Place of Mailing: Irvine, California

NAME AND ADDRESS OF EACH PERSON TO WHOM DOCUMENTS WERE MAILED:

San Francisco, CA 94102

Robert A. Niblock, President	California Attorney General
Lowe's Companies, Inc.	(Proposition 65 Enforcement Division)
1605 Curtis Bridge Rd	1515 Clay Street, 20th Floor
Wilkesboro, NC 28697	Oakland, CA

Sacramento County DA	San Diego County DA
P.O. Box 749	330 Broadway
Sacramento, CA 95812	San Diego, CA 92101

San Diego City Attorney	Los Angeles City Attorney
1200 3rd Ave. Ste. 1620	200 N. Main St. N.E.
San Diego, CA 92101	Los Angeles, CA 90012

Humboldt County DA	Shasta County DA
825 5th Street	1525 Court Street
Eureka, CA 95501	Redding, CA 96001-1632

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San Mateo District Attorney	Marin County DA
1050 Mission Road South San Francisco, CA 94080	3501 Civic Center Dr. #130 San Rafael, CA 94903

Riverside County DA	Santa Barbara County DA
4075 Main St., 1 st Fl.	1105 Santa Barbara St.
Riverside, CA 92501	Santa Barbara, CA 93101
Sonoma County DA	San Francisco City Attorney

Santa Rosa, CA 95403

San Jose City Attorney 151 W. Mission St. San Jose, CA 95110

Yolo County D A 301 2nd Street Woodland, CA 95695

El Dorado County **DA** 1360 Johnson Blvd. #105 South Lake Tahoe, **CA** 96150

Napa County DA 931 Parkway Mall Napa, CA 94559

Inyo County DA 386 W. Line Street Bishop, CA 93514

Lake County DA 255 N. Forbes St. Lakeport, CA 95453

Solano County DA 321 Tuolomne Street Valejo, CA 94590

Stanislaus County DA 300 Starr Avenue Turlock, CA 95380

District Attorney 14227 Road 28 Madera, CA 93638

Santa Clara County **DA** 2645 Zanker Road San Jose, CA 95134

Mariposa County DA P.O. Box 748 Mariposa, CA 95338

Nevada County DA 201 Church Street, Suite 8 Nevada City, CA 95959

San Luis Obispo County DA 1050 Monterey Street, Rm. 450 San Luis Obispo, CA 93408

San Bernardino County DA 316 N. Mountain View Av. San Bernardino, CA 92415 Contra Costa County DA 727 Court Street Martinez, CA 94553

District Attorney 1430 Freedom Blvd. Watsonville, CA 95076

Ventura County DA 800 South Victoria Avenue Ventura, CA 95695

Kern County DA 2100 College Avenue Bakersfield, CA 93305

San Joaquin DA 225 W. Elm Street #C Lodi, CA 95240

Mendocino County DA 700 S. Franklin St. Fort Bragg, CA 94537

Los Angeles County DA 210 W. Temple Street, 18th Floor Los Angeles, CA 90012

Butte County DA 25 County Center Drive Oroville, CA 95695

Orange County District Attorney 700 Civic Center Dr. W., 2nd Fl. Santa Ana, CA 92701

Sutter County DA 446 Second Street Yuba City, CA 95991

Santa Cruz County DA 701 Ocean Street Santa Cruz, CA 95061

Alameda County DA 1225 Fallon Street Oakland, CA 94612

Del Norte County DA 450 H Street Crescent City, CA 95531

Mono County DA P.O. Box 617 Bridgeport, CA 93517 Merced County DA 445 I Street

Los Banos CA 93635

Santa Clara DA 2645 Zanker Rd San Jose CA 95134

Glenn County DA 540 W Sycamore St Willows CA 95988

Riverside DA 82675 US Hwy 111 FL4 Indio CA 92201

Placer County DA 11562 B Avenue Auburn, CA 95603

San Francisco County DA 880 Bryant Street San Francisco, CA 94103

El Dorado DA 515 Main Street Placerville, CA 95667

Monterey County DA 240 Church Street, #101

Salinas, CA 93901

San Luis Obispo County DA 1050 Monterey Street, Room 450

San Luis Obispo, CA 93408

Mondoc County DA 204 S Court Street Alturas CA 96101

Solano County DA 321 Tuolumne St Vallejo CA 94590

Kings County DA 1400 W Lacey Blvd Hanford CA 93230

Santa Rosa D.A. 111 N Pythian Rd Santa Rosa CA 95409

Fresno County DA 2220 Tulare Street, #1000

Fresno, CA 93721

Siskyou County DA P.O. Box 986 Yreka, CA 96097

Marin County DA

3501 Civic Center Drive, Room 130

San Rafael, CA 94903

Plumas County DA

520 Main Street, Room 404

Quincy, CA 95971

Tulare County DA

221 South Mooney Blvd., Suite 224

Visalia, CA 93291

I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct.

Dated: October 28, 2003